

STAND. COM. REP. NO.

2424

Honolulu, Hawaii

FEB 16 2018

RE: S.B. No. 48
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committees on Economic Development, Tourism, and Technology, Higher Education, and Water and Land, to which was referred S.B. No. 48, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TECHNOLOGY,"

beg leave to report as follows:

The purpose and intent of this measure is to transfer title, control, custody, and management authority of the land under the Manoa Innovation Center, including any buildings, structures, and appurtenances situated on the land, from the University of Hawaii to the Hawaii Technology Development Corporation.

Your Committees received testimony in support of this measure from the Hawaii Technology Development Corporation; Cardax, Inc.; Oahu Economic Development Board; Perfection Bra Fitting Salon; Collaborative Dispute Resolutions; HI FusionED; Bright Light Digital; Resurgo, LLC; Maui Business Brainstormers; Code for Hawaii; Litening Software, Inc.; Hawaii Evolutionary Development, LLC; Aloha Dollar Store; Global Virtual Studio Transmedia Accelerator; Impact Hub Honolulu; Farthest North Films and Wisdom Keeper Media; Jun Innovations; TEN TOMORROW; Dev League, Inc.; Kuehnle AgroSystems, Inc.; The Cut Collective; Honolulu Options Traders, LLC; Hawaii Food Manufacturers Association; Mana Up Labs, LLC; Diamond Bakery; Bit Link Solutions; and three individuals. Your Committees received testimony in opposition to this measure from the Office of the Governor, University of Hawai'i, and South



Maui Learning Ohana, Inc. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism; Spectrum Photonics; and Chamber of Commerce Hawaii.

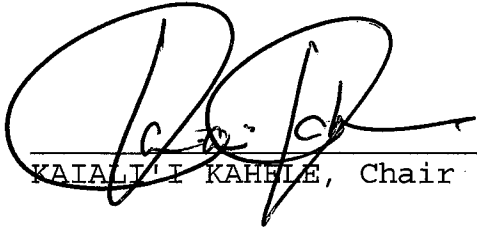
According to testimony received by your Committees, the University of Hawaii provided notice to the Hawaii Technology Development Corporation that the University intends to terminate the lease for the Manoa Innovation Center, effective June 30, 2018. The rent revenue generated through the incubation program at the Manoa Innovation Center funds half of the Hawaii Technology Development Corporation's staff salaries and all of the Development Corporation's discretionary program funding. Your Committees find that the programs of the Hawaii Technology Development Corporation have supported various small businesses throughout Hawaii, with one hundred fifty company clients reporting \$389,000,000 of revenue. While your Committees recognize that the University of Hawaii has been gracious by allowing the Hawaii Technology Development Corporation to continue to use the Manoa Innovation Center rent-free even after the lease ended in April of 2015, your Committees find that depriving the Hawaii Technology Development Corporation of half its funding will be highly detrimental to a large number of businesses and the Development Corporation.

Your Committees have amended this measure by inserting an effective date of January 1, 2050, to encourage further discussion.

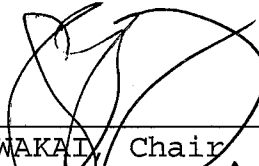
As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology, Higher Education, and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 48, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 48, S.D. 2, and be referred to your Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committees on Economic
Development, Tourism, and
Technology, Higher Education,
and Water and Land,



KATALI'I KAHALE, Chair



GLENN WAKAI, Chair

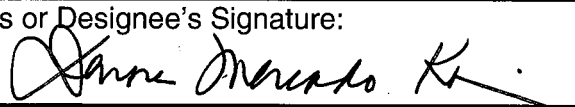


KARL RHOADS, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Higher Education
HRE

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 48 SD 1	ETT/HRE/WTL, WAM	2/19/18		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KAHELE, Kaiali'i (C)	/			
KIM, Donna Mercado (VC)		/		
CHANG, Stanley	/			
KEITH-AGARAN, Gilbert S.C.		/		
KIDANI, Michelle N.				/
TOTAL	2	2		1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes

